

DEPARTMENT OF SOCIAL AND HEALTH SERVICES
Medical Assistance Administration
Olympia, Washington

To: Outpatient Hospitals
Managed Care Plans

Memorandum No.: 05-56 MAA
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From: Douglas Porter, Assistant Secretary
Medical Assistance Administration (MAA)

For Information Contact:
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Subject: Outpatient Hospitals: Program and Fee Schedule Updates

Effective for dates of service on and after July 1, 2005, the Medical Assistance Administration (MAA) will:

- Implement legislatively appropriated vendor rate increases;
- Update both the outpatient hospital and the Outpatient Prospective Payment System (OPPS) fee schedules, to include new fees for dental services provided by OPPS hospitals and coverage policy changes;
- Replace Section C of MAA's *Outpatient Hospital Services Billing Instructions*, to include billing information for certified diabetic education providers;
- Update to Legend page of the Revenue Code Grid in both the *Outpatient Hospital Services* and *Inpatient Hospital Services Billing Instructions*; and
- Remind providers about correct usage of ICD-9 diagnosis codes.

Maximum Allowable Fees

MAA used the following resources in determining the maximum allowable fees:

- Year 2005 Medicare Physician Fee Schedule Data Base (MPFSDB) Relative Value Units (RVUs);
- Year 2005 Washington State Medicare Laboratory Fee Schedule; and

The Washington State **Legislature has appropriated a one (1.0) percent vendor rate increase** for the 2006 state fiscal year.

Dental Services Provided by OPPS Hospitals

Effective for dates of service on and after July 1, 2005, MAA will reimburse OPPS hospitals and hospital/provider-based clinics for covered dental services as follows:

- Services performed in the operating room will receive a maximum allowable facility fee in accordance with the ambulatory surgery program reimbursement policies and fees. The first procedure of a dental service will be paid the group two (2) facility fee (currently \$336.04). The second procedure will be paid one half of the group two (2) rate. The payment for all other lines of dental services is bundled and is not reimbursed separately.
- Services not performed in the operating room will be paid only a maximum allowable professional fee in accordance with MAA's dental program reimbursement policies and fees. MAA will not make any additional payment for facility or supplies. See MAA's *Dental Services Billing Instructions for fees and related policies*.

Changes to PET Scan Coverage

Effective for dates of service on and after July 1, 2005, MAA *will no longer cover* the following PET scans:

Procedure Code	Procedure Code	Procedure Code	Procedure Code
78491	G0038	G0214	G0229
78492	G0039	G0215	G0230
78609	G0040	G0216	G0231
78814	G0041	G0217	G0232
78815	G0042	G0218	G0234
78816	G0043	G0220	G0253
G0030	G0044	G0221	G0254
G0031	G0045	G0222	G0296
G0032	G0046	G0223	G0336
G0033	G0047	G0224	
G0034	G0125	G0225	
G0035	G0210	G0226	
G0036	G0211	G0227	
G0037	G0212	G0228	

The following PET scan procedure codes are the only PET scans covered by MAA for dates of service on or after July 1, 2005:

Type of Prior Authorization Required	Procedure Code	Brief Description	July 1, 2005 Maximum Allowable Fee
*PA	G0330	Imaging, initial diagnosis cervical	BR
*PA	G0331	Pet imaging restage ovarian cancer	BR
EPA	78459	Heart muscle imaging (PET)	\$1177.60
EPA	78608	Brain imaging (PET)	BR
EPA	78811	Tumor imaging (PET), limited	\$1177.60
EPA	78812	Tumor imaging (PET),skull-thigh	\$1177.60
EPA	78813	Tumor imaging (PET), full body	\$1177.60

*Not covered for OPPS hospitals.

Diagnosis Reminder

MAA requires valid and complete ICD-9-CM diagnosis codes. When billing MAA, use the highest level of specificity (4th or 5th digits if necessary) or the entire claim will be denied.

MAA's OPPS Budget Target Adjuster

The Washington State Legislature has appropriated a one and three tenths (1.3) percent targeted hospital rate increase for the 2006 state fiscal year.

Effective for dates of service on and after July 1, 2005, the OPPS budget target adjuster will be 0.858%

Added Codes

Effective for dates of service on and after July 1, 2005, MAA will add the following procedure codes to MAA's outpatient hospital fee schedule:



Note: G0143-G0148 should not be billed in combination with 88141-88167.

Type of Prior Authorization Required	Procedure Code	Brief Description	July 1, 2005 Maximum Allowable Fee
	G0143	Scr c/v cyto,thinlayer,rescr	\$23.21
	G0144	Scr c/v cyto,thinlayer,rescr	\$24.48
	G0145	Scr c/v cyto,thinlayer,rescr	\$30.35
	G0147	Scr c/v cyto, automated sys	\$13.04
	G0148	Scr c/v cyto, autosys, rescr	\$17.41

Fee Schedules

Maximum allowable fees for the year 2005 additions are included in the July 2005 Outpatient Hospital Fee Schedule.

The updated Outpatient Hospital Fee Schedule and the updated OPPS Fee Schedule are available electronically on MAA's website at <http://maa.dshs.wa.gov> (click on the **Billing Instructions/Numbered Memoranda** link and then click on the **Fee Schedules** link).

Sleep Centers of Excellence

MAA has added the following Sleep Centers to MAA's Sleep Centers of Excellence list:

MAA Approved Sleep Centers	Location
Columbia Sleep Laboratory	Richland, WA
Sleep Center At Memorial	Yakima Valley Memorial Hospital, Yakima, WA

The updated Sleep Centers of Excellence list is in MAA's current *Outpatient Hospitals Billing Instructions* and is available electronically on MAA's website at <http://maa.dshs.wa.gov> (click on the **Billing Instructions/Numbered Memoranda** link).

Billing Instructions Replacement Pages

Attached are:

- Section C of MAA's current *Outpatient Hospital Services Billing Instructions*. This section now contains billing information for Certified Diabetic Education providers;
- Replacement pages E.21-E.24 for both the *Outpatient Hospital Services and Inpatient Hospital Services Billing Instructions*;
- Section F of MAA's current *Outpatient Hospital Services Billing Instructions*. This contains the 2005 fee schedule.



Note: Due to its licensing agreement with the American Medical Association regarding the use of CPT codes and descriptions, MAA publishes only the official brief descriptions for all codes. Please refer to your current CPT book for full descriptions.

How can I get MAA's provider issuances?

To obtain DSHS/HRSA provider numbered memoranda and billing instruction, go to the DSHS/HRSA website at <http://hrsa.dshs.wa.gov> (click *the Billing Instructions and Numbered Memorandum* link). These may be downloaded and printed.